

Department of Planning and Budget 2007 Fiscal Impact Statement

1. Bill Number SB826

House of Origin Introduced Substitute Engrossed

Second House In Committee Substitute Enrolled

2. Patron Devolites Davis

3. Committee Courts of Justice

4. Title Notaries public.

5. Summary/Purpose: Rewrites the notary law to include electronic notarization and details the application and technology requirements for electronic notarization. These particular provisions become effective July 1, 2008. In addition, the bill adds that any notary must be a Virginia registered voter, but provisions are retained for certain nonresident employee notaries. A list of prohibited acts for notaries is included (e.g., use of official seal to promote or oppose products, candidates, etc.; use of signature or seal on incomplete documents; committing fraud under the guise of an official act) that subject the notary to suspension, removal, or reprimand as under current law. The bill also increases the Secretary's fee for commissioning a notary from \$25 to \$35 and allows a fee of \$35 for commissioning an electronic notary. The \$10 electronic notarization fee is expected to go to the Secretary of the Commonwealth's Technology Trust Fund. The fee for notarizing a document remains at \$5 and the fee for electronic notarization is not to exceed \$25.

6. Fiscal Impact Estimates are:

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2006-07	\$34,740		Special
2007-08	\$34,740		Special
2008-09	\$34,740		Special
2009-10	\$34,740		Special
2010-11	\$34,740		Special
2011-12	\$34,740		Special
2012-13	\$34,740		Special

6b. Revenue Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2006-07	\$34,740		Special
2007-08	\$34,740		Special
2008-09	\$34,740		Special
2009-10	\$34,740		Special
2010-11	\$34,740		Special
2011-12	\$34,740		Special
2012-13	\$34,740		Special

- 7. Budget amendment necessary:** Yes, to appropriate the increase in nongeneral fund revenue.
- 8. Fiscal implications:** Working calendar year 2006 data, the Secretary of the Commonwealth's office (SOC) estimates about 2,539.5 notary commissions per month, or 30,474 notary commissions taken each year. The SOC currently charges a rate of \$35 for each notary commission, which goes to the general fund. With the implication of this bill, the SOC will charge an additional \$10 for electronic notarization, incurring a total cost of \$45 per notary commission. The \$10 electronic notarization fee is expected to go to the SOC's Technology Trust Fund. The SOC Technology Trust Fund estimates revenue of \$34,740 each year. This revenue will be used by the SOC to fund the technology necessary to supervise and regulate electronic notary activities.
- 9. Specific agency or political subdivisions affected:** Secretary of the Commonwealth
- 10. Technical amendment necessary:** No
- 11. Other comments:** This bill matches House Bill 2058.

Date: 01/15/07 / wfb

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cc: Secretary of Commonwealth